

PEEHIP Medicare Plus

(Coverage for Medicare-Eligible Retirees)

This plan is a supplement to hospital and medical benefits provided under Medicare Part A and Part B, and is available to Medicare-eligible retirees. This coverage is similar in nature to C-Plus and other Medicare supplemental insurance plans. It provides hospital and non-hospital benefits as outlined on the chart on the following page. This plan does not provide benefits for custodial care such as help in walking, eating, bathing and dressing. Members must have Medicare Part A and Part B, and Medicare must be your primary payer for claims. Most Medicare-eligible members and dependents should not enroll in the Medicare Part D program if they are enrolled in the PEEHIP Medicare Plus plan.

If a Medicare-eligible member or dependent chooses to enroll in a Medicare Part D plan, he or she will lose the PEEHIP prescription drug coverage.

PEEHIP Hospital Benefits *(Administered by Blue Cross and Blue Shield of Alabama)*

| Benefit | | |
|--|--|--|
| Inpatient Hospital Charges | | |
| Medicare Pays | PEEHIP Pays | YOU Pay |
| All but the Part A deductible per admission. All but applicable coinsurance after 60 days. | All but \$100 per admission. Applicable coinsurance after 60 days. | A \$100 deductible and any personal charges (such as private room, telephone, TV, etc.). |

PEEHIP Non-Hospital Benefits

| Benefit | | |
|---|--|--|
| Outpatient Hospital Charges | | |
| Medicare Pays | PEEHIP Pays | YOU Pay |
| 80% of Medicare's approved amount after the Medicare Part B deductible. | 20% of Medicare's approved amount after the member meets Medicare Part B deductible and the \$20 copay for | The Part B deductible, a copay up to \$20 for physician visits, any charges not covered by Medicare or PEEHIP, and |

| Benefit | | |
|-----------------------------|------------------|--|
| Outpatient Hospital Charges | | |
| Medicare Pays | PEEHIP Pays | YOU Pay |
| | physician visit. | charges above the Medicare allowable amount when using unassigned providers. |

Pharmacy Program (Administered by Express Scripts)

- ◆ **Participating Pharmacy:** When using a Participating Pharmacy you pay the following:
 - ◇ \$5 for any covered generic prescription drug
 - ◇ \$30 for any covered preferred brand drug (The preferred brand drug list can be found on the PEEHIP Web site at www.rsa-al.gov.)
- \$50 for any covered non-preferred brand drug
- ◆ Participating pharmacies will file all claims for you. Most major pharmacy chains in-state and out-of-state participate with the PEEHIP Express Scripts prescription drug plan.
- ◆ Members and covered dependents must use Curascripts for all specialty medications.
- ◆ The PEEHIP prescription drug plan includes Step Therapy and prior authorization for certain medications.

Non-Participating Pharmacy

- ◆ There are no benefits if you use a non-participating pharmacy in Alabama.
- ◆ **Coverage outside Alabama:** You will file the claim and be reimbursed at the Participating Pharmacy rate less the appropriate copay.

Out-of-State Coverage

- ◆ When you receive medical treatment outside Alabama, Medicare of that state is responsible for the payment of the claim. When you receive the Explanation of Medicare Benefits statement from that state, you must send Blue Cross and Blue Shield of Alabama a copy of the statement attached to a completed claim form in order for Blue Cross and Blue Shield of Alabama to consider the charges for payment. Always list your contract number on the claim form.

Out-of-Country Coverage

- ◆ If you receive medical treatment outside the United States, Medicare may not make payment. In this situation, if the services are medically necessary, PEEHIP will pay primary under the major medical benefits. All PEEHIP deductible and coinsurance amounts and contract limitations will apply. The claims must be stated in U.S. dollars and filed with Blue Cross and Blue Shield of Alabama.

Non-participating Hospitals and Outpatient Facilities

- ◆ Currently, there are no non-participating inpatient or outpatient facilities in Alabama. However, when choosing a hospital or outpatient facility located outside Alabama, you may want to consider checking with the facility first to determine if they are a Blue Cross and Blue Shield participating provider. With your health plan benefits, you have the freedom to choose your health care provider.

- ◆ To maximize your coverage and minimize your out-of-pocket expenses, you should always use network providers for services covered by your health plan. Your out-of-pocket expenses will be significantly higher in a non-participating hospital or facility. When you choose a network provider, out-of-pocket expenses are minimized.

Excluded Services

- ◆ Coverage is not provided for nursing home costs, charges in excess of Medicare allowed charges, vision and dental care (except accidental injuries), cosmetic surgery, hearing aids, and experimental procedures.